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6

7 **UNITED STATES BANKRUPTCY COURT**
8 **NORTHERN DISTRICT OF CALIFORNIA**

9 **In re:**

10 **PG&E CORPORATION**

11 **- and -**

12 **PACIFIC GAS AND ELECTRIC**
13 **COMPANY,**

14 **Debtors.**

- 15 ☐ Affects PG&E Corporation
16 ☒ Affects Pacific Gas and Electric
Company
17 ☐ Affects both Debtors

18 * All papers shall be filed in the Lead Case,
No. 19-30088 (DM).
19

Bankruptcy Case No. 19-30088 (DM)

Chapter 11

(Lead Case)

(Jointly Administered)

**NOTICE OF CONTINUED
PERFECTION OF LIEN PURSUANT
TO 11 U.S.C. § 546(b)(2)**

1 Defendant AECOM Technical Services, Inc. ("AECOM"), through its undersigned counsel,
2 hereby provides notice of continued perfection of its mechanics lien under Section 546(b)(2) of
3 Title 11 of the United States Code (the "Bankruptcy Code"), as follows:

4 1. AECOM has provided and delivered labor, services, equipment, and/or materials for
5 the construction and improvement of projects on real property located in the County of Shasta, State
6 of California, and commonly described as the Burney K2 Replacement Project (the "Property"), the
7 legal description for which is set forth in the Claim of Mechanics Lien, a true copy of which is
8 attached hereto as **Exhibit A** (the "Mechanics Lien").

9 2. The Property is owned by Pacific Gas and Electric Company (the "Debtor"), which
10 filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code on January 29, 2019
11 (the "Petition Date").

12 3. On January 25, 2019, before the Petition Date, AECOM properly perfected its
13 Mechanics Lien under California Civil Code § 8400, et seq. by timely recording it in the Official
14 Records of Shasta County, State of California.

15 4. Through January 25, 2019, the amount owing to AECOM subject to its Mechanics
16 Lien is at least \$23,535,812.89, exclusive of accruing interest and other charges, and additional
17 amounts which have continued, and are continuing, to accrue after the Petition Date.

18 5. Under California Civil Code § 8412:

19 A direct contractor may not enforce a lien unless the contractor records a
20 claim of lien after the contractor completes the direct contract, and before
the earlier of the following times:

21 (a) Ninety days after completion of the work of improvement.

22 (b) Sixty days after the owner records a notice of completion or
23 cessation.

24 In turn, California Civil Code §8460(a) provides that:

25 The claimant shall commence an action to enforce a lien within 90 days
26 after recordation of the claim of lien. If the claimant does not commence
an action to enforce the lien within that time, the claim of lien expires and
is unenforceable

27 6. Pursuant to California Civil Code § 8460, an action to enforce a lien must be
28 commenced within 90 days after recordation of the claim of lien. However, Bankruptcy Code

1 section 362 automatically stays AECOM from filing a state court action to enforce its mechanics
2 lien.

3 7. Bankruptcy Code section 546(b)(2) provides that when applicable law

4 . . . requires seizure of such property or commencement of an action to
5 accomplish such perfection, or maintenance or continuation of perfection
6 of an interest in property; and . . . such property has not been seized or such
7 an action has not been commenced before the date of the filing of the
8 petition; such interest in such property shall be perfected, or perfection of
9 such interest shall be maintained or continued, by giving notice within the
10 time fixed by such law for such seizure or such commencement.

11 8. Pursuant to Bankruptcy Code section 546(b), AECOM hereby files this notice in lieu
12 of the commencement of any such action to perfect, maintain, or continue its Mechanics Lien.
13 AECOM hereby provides notice of its rights as a perfected lienholder in the Property pursuant to
14 California's mechanics lien law. AECOM asserts a secured interest in the Property to the fullest
15 extent allowable by applicable law, including interest and attorney's fees.

16 9. This Notice shall not be construed as an admission that such filing is required or to
17 the necessity of recording, commencement, or seizure. Additionally, AECOM hereby gives notice
18 that it has, or may be entitled to, additional mechanics' liens rights to properties owned by the
19 Debtor as they become due and owing according to prepetition contracts with the Debtor for the
20 improvement of real property. This Notice shall preserve and continue to preserve any and all of
21 AECOM's rights as to the Bankruptcy Code and the California Civil Code.

22 AECOM expressly reserves its rights to seek relief from the automatic stay to foreclose its
23 mechanics lien and/or a waiver of any other rights or defenses. AECOM further reserves all rights,
24 including the right to amend or supplement this notice.

25 DATED: March 22, 2019

26 Reed Smith LLP

27 By: /s/ Marsha A. Houston

28 Marsha A. Houston
Christopher O. Rivas

Attorneys for Creditor
AECOM Technical Services, Inc.